



Nova Scotia

NOVA SCOTIA
HOUSE OF ASSEMBLY
APRIL 10, 1987

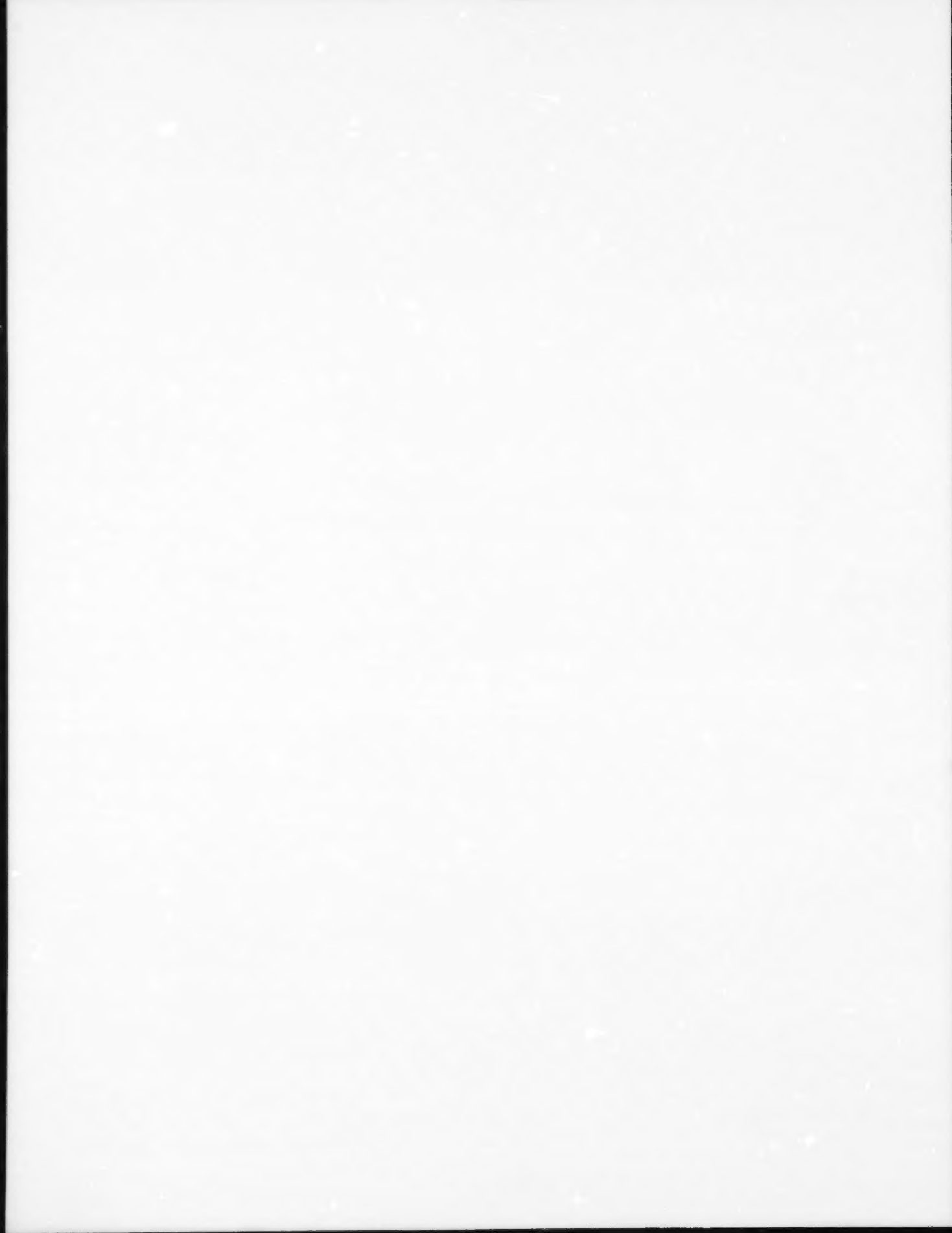
BUDGET ADDRESS

PROVINCE OF NOVA SCOTIA
1987-88

HONOURABLE GREG KERR
MINISTER OF FINANCE

TABLE OF CONTENTS

BUDGET ADDRESS	Page
Introduction	1
Economic Environment	2
Fiscal Situation 1986-87	3
Fiscal Objectives 1987-88	3
Essential Services Expenditures	5
Federal Transfer Payments	7
Revenue Measures	8
Stock Savings Plan	8
Providing Jobs for Nova Scotians	9
Conclusion	10
 FINANCIAL AND SUPPLEMENTARY INFORMATION	 11



BUDGET ADDRESS

Province of Nova Scotia

Honourable Greg Kerr
Minister of Finance

INTRODUCTION

I am pleased to present to the Legislature and the people of Nova Scotia, the government's 1987-88 budgetary plan.

Once again, development of the fiscal framework has been a difficult and challenging task.

We remain firmly committed to upholding the level and quality of essential services provided our citizens. We must acknowledge, however, the substantial impact of rising debt servicing costs on the revenue available to the province for the delivery of these programs and services.

The objective of this budget is twofold. The budget is designed to ensure the government fulfills its responsibilities in meeting the needs of Nova Scotians. It also moves forward in our commitment to bring about a gradual but steady decline in the operating deficit.

The difficulties in meeting both of these goals while continuing to provide a stable fiscal policy environment have been enormous.

The need for strong, sound management initiatives is of paramount importance. In this time of increasing demands on limited government resources it is critical that we ensure the wide range of programs and services provided for and funded by the government are delivered in the most cost-effective and efficient manner possible. This not only involves a commitment by the government to examine and enhance the efficiency of its own operations but also requires a similar commitment by those involved in the actual delivery of essential services. To ensure that Nova Scotians continue to receive the highest quality of services, we must work together.

I will expand upon existing and new initiatives planned in this regard later in my Address, and I would now like to briefly outline the economic environment that has prevailed in Nova Scotia over the past year and to present the outlook that forms the basis for our fiscal projections.

*Commitment to
protection of
essential services*

*Commitment to cost
effectiveness and
efficiency*

ECONOMIC ENVIRONMENT

Diversified economic base

Nova Scotia's diversified economic base has continued to provide the strength necessary for this province to successfully overcome external influences that could have drastic and devastating effects on our economy.

The traditional resource sectors continue to take the lead role in providing strength and stability to the Nova Scotia economy.

Solid performance in our traditional resource sectors has provided for an overall real growth rate of 2 percent for this province in 1986.

Strong fishing sector

Nova Scotia's fishing industry performed exceptionally well last year. The total value of fish landings in the province increased 28 percent during 1986, resulting in total real output gains for this sector of 17.6 percent over 1985 levels.

Activity in the construction industry was phenomenal during 1986, posting one of the highest levels of housing starts ever recorded in any one year. Total housing starts reached an incredible 7,571 units in 1986, a level which surpasses even the outstanding performance achieved during 1985. This is the second consecutive year housing starts have far exceeded original expectations. This healthy performance in residential construction activity has generated an estimated 8,800 year-round jobs for Nova Scotians.

The government has taken a very active role in responding to the housing needs of Nova Scotians. We have contributed both directly and indirectly to approximately 25 percent of the housing starts achieved this past year. All of the housing initiatives announced in the 1986-87 budget have been fulfilled.

Housing initiatives

We have

- delivered over 1,500 units of social housing in the first of a five-year initiative
- provided 3,000 housing grants for seniors and disabled Nova Scotians
- participated in the delivery of 250 family and emergency housing units
- called construction tenders on a further 286 family, senior citizen and special care low rental units
- made available approximately 350 residential building lots and several land areas to meet the growing demands for lots by builders and individuals.

These and other initiatives of the government have helped to provide adequate and affordable housing for Nova Scotians.

Forestry programs working

Real growth of 4 percent has been achieved in forestry production during 1986. Initiatives resulting from our government's forest policy as well as implementation of the Forest Renewal Agreement with the federal government have provided for improved management and productivity and increased job opportunities in this important sector of our economy.

Modernization of Nova Scotia's pulp and paper mills has greatly increased industry output levels and will place Nova Scotia companies in a stronger and more competitive position in the marketplace.

Agriculture making positive contribution

Once again agriculture continued to be a fundamentally important sector of our economy and to make a positive contribution to Nova Scotia's economic environment. Seven thousand Nova Scotians earn their livelihood from this traditional resource industry. During the past year, farm cash receipts increased 4.2 percent.

The total value of Nova Scotia's merchandise exports experienced strong growth in 1986. At an estimated \$1.9 billion, this represents a remarkable 26.6 percent increase over the previous year. This growth has been supported by strong demand in the United States, higher prices for fish products and favourable foreign exchange rates.

There were 7,000 more Nova Scotians working in 1986 than in 1985. This represents a 2.1 percent increase in employment levels.

Solid real growth is once again forecast to continue in Nova Scotia's economy throughout 1987. Increases in fish prices and the establishment of new markets will continue to provide for a strong performance in the province's fishing industry.

The expectation of lower interest rates combined with continuing strong demand for affordable housing should result in another very active year for residential construction.

1987 holds great promise for the Nova Scotia tourism industry. In February of this year, the province took pride in the success of the Canada Winter Games in Cape Breton. Once again, the province will host the International Gathering of the Clans as part of its multi-year promotional theme "Nova Scotia Festival". This event will run for a full six weeks and is expected to attract over 140,000 people.

This activity within our basic resource industries will once again enhance economic output within the province and generate long-term employment opportunities for Nova Scotians.

*Real solid growth for
1987*

Tourism promising

FISCAL SITUATION 1986-87

The government of Nova Scotia made a difficult but very firm commitment to the people of this province many years ago. We remained strong in our conviction that the high quality of essential services would not be eroded as a result of recessionary pressures.

It is our belief that as a responsible government we cannot stress enough the need to preserve these services and also achieve a gradual reduction in deficit levels through the application of sound management, patience and perseverance.

I am pleased to announce today the operating deficit for 1986-87 is

- **\$31.5 million below the original estimate, and**
- **\$50.1 million below the actual deficit for 1985-86.**

Deficit reduced

Total financial requirements for the 1986-87 year are forecast at \$471.6 million — \$58.4 million below the original estimate for the year and \$39.2 million below 1985-86 levels.

Total ordinary revenues have come in on target. As well, total ordinary and capital expenditures of the government are \$49.6 million less than estimated.

We take pride as a government in knowing that the sound management policies we have followed have been effective. The figure I have just released shows that we are moving towards our goal of reducing and ultimately eliminating the deficit.

FISCAL OBJECTIVES 1987-88

This stable and realistic approach to fiscal policy must remain a primary objective of our government.

While the financial challenges that continually confront us change from time to time, Nova Scotians can rest assured this government will continue to:

- strive for a steady decline in the deficit
- encourage the growth of a strong and diversified private sector to promote long-term expansion of our economy and increasing employment opportunities for Nova Scotians
- provide quality essential services to the citizens of this province.

These challenges have never been easy. As in past years, we are facing escalating costs in essential services as well as increasing demands on the government for new and expanded programs.

Compounding these pressures has been the erosion of critical financial support from the federal government over the past decade. While the Government of Canada can espouse some success in dealing with its deficit problem, it has, in many cases, merely shifted the financial burden to provincial governments.

This trend has placed a considerable strain on provincial resources but we have met these challenges knowing that the citizens of Nova Scotia do not want vital services jeopardized.

DEFICIT REDUCTION

In spite of the difficulties facing government, we are determined to continue the positive trend reflected in 1986-87.

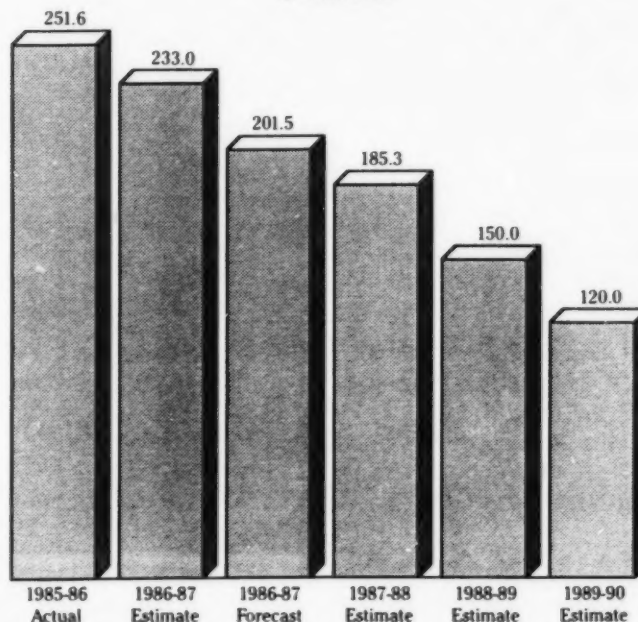
Fiscal plan

I am announcing today that the government is implementing a three-year fiscal plan for deficit reduction.

The 1987-88 fiscal year provides for a reduction in the net operating deficit to \$185.3 million. This is \$16.2 million lower than the forecasted deficit for last year and \$47.7 million below the 1986-87 estimate.

In following through on our commitment to long-term planning, the government will endeavour to reduce the net operating deficit to \$150 million in 1988-89 and to \$120 million in 1989-90. The goal will be to reduce net financing requirements to \$440 million in 1988-89 and \$415 million by 1989-90.

DEFICIT REDUCTION
\$ Millions



Three-year fiscal planning will be an ongoing part of the budget process, with the ultimate goal of eliminating the deficit by providing continued sound fiscal management.

To meet these fiscal targets the government is initiating a process that combines multi-year budgeting with the strategic planning started last year. These internal systems will enable government to properly plan for program changes that may be necessary in order to conform with the fiscal targets. They will also assist government in allocating resources in accordance with government policies and priorities.

Multi-year budgeting

STRATEGIC PLANNING PROCESS

In last year's budget I identified the need for government to examine the programs it provides and to review the methods of delivering the wide range of services to the people of Nova Scotia.

Where government, with limited resources, is continually being called upon to satisfy the increasing demands for programs and services, such a review is crucial.

The government has initiated the most extensive self-examination ever undertaken of its nearly 1,100 programs and services.

This review is the best way to ensure that the fundamental needs of citizens are being adequately met in the most efficient and cost-effective manner possible. It is a critical element of our deficit reduction strategy and a key component in honouring our promise to provide a broad range of services to our citizens.

The Strategic Planning Process was started in the Fall of 1986 to provide the government with the appropriate tools necessary to plan for future programs and policies in this province. This planning process has provided critical insight into:

- emerging trends, key issues and changing needs in today's society
- the roles and objectives of government departments in meeting the existing needs of Nova Scotians and
- the strengths and weaknesses of existing government programs and operations.

This information will permit the establishment of program priorities on the basis of need, value and affordability. The Strategic Planning Process will also identify areas where changes in delivery mechanisms are required to provide services in a more cost-effective and efficient manner.

The government is dedicated to the continuance of the Strategic Planning Process as an ongoing instrument of sound management and as an integral part of the multi-year budgeting system.

Extensive program review

Priorities based on need, value, and affordability

ESSENTIAL SERVICES EXPENDITURES

Let me assure the people of this province that the move towards increased cost effectiveness and efficiency will not jeopardize the integrity of service currently provided Nova Scotians.

As we have repeatedly stated, the government remains firmly convinced that the excellent standards of essential services, which many in this province have worked so long and hard to attain, should not be put at risk during times of fiscal restraint.

Our commitment to quality health care, high standards of education and meeting the social needs of Nova Scotians will continue.

Expenditures in these areas will account for almost 60 percent of total government allocations during this current fiscal year.

Over \$875 million alone is directed towards the preservation of high standards of education in this province. Education grants to school boards and municipalities for the delivery of elementary and secondary education total \$537.4 million this fiscal year. Support for technical and vocational education of \$69.9 million will help to ensure our young people are given every opportunity to obtain the skills necessary to keep abreast of today's rapidly changing technology.

Assistance to universities for 1987-88 totals \$189.6 million. This strong support for the university sector will help to ensure that excellent standards of higher education will continue in this province, giving our young people the competitive edge as they enter the marketplace.

In our efforts to respond to the social needs of Nova Scotians our 1987-88 fiscal plan has provided \$243.3 million in public assistance support to the people of this province. This support includes \$132.5 million for family benefits, \$95.4 million to assist municipalities in the delivery of social services, with a further \$15.3 million for senior citizen financial assistance.

This year we will spend approximately \$1 billion to provide health care to Nova Scotians. This includes payments of \$191.5 million to physicians for the delivery of insured medical services, funding for hospitals of \$585.8 million, \$55.3 million on pharmacare for senior citizens, and \$12.2 million for children's dental care.

It must be recognized that preservation of these service levels has not been achieved without cost to the taxpayer. Health Services Tax revenues combined with federal cash transfers for health care have not kept pace with expenditures. The excess of these expenditures over specified health revenues has accumulated to more than \$1.4 billion.

Given the significance of these allocations, the continuing escalation of health service costs relative to available revenues, and the increased utilization of these services, it has become increasingly important to pursue cost effectiveness in our health care delivery system.

*Preservation of
services*

HEALTH COSTS

During recent months, Management Board has undertaken a review of the budget process with respect to health care expenditures. It has become evident that factors influencing both the utilization and the costs of these services go far beyond budgetary control practices.

Such factors include:

- advancing technology
- costs of medical supplies and services increasing at a rate greater than inflation
- the number of physicians practicing within the health delivery system
- patient expectations and demands
- physician utilization of medical services.

These are but a few of the many components that affect the costs of the health delivery system. After careful consideration, it is the government's decision that a public review of these costs should be undertaken.

Accordingly, the government will establish a Royal Commission to assess the costs of the health delivery system. The Royal Commission will provide for broad public input thereby ensuring a comprehensive and independent review.

*Royal Commission
on health costs*

FEDERAL TRANSFER PAYMENTS

Transfer payments from the federal government represent a significant portion of revenues available to Nova Scotia.

During the past decade, a gradual but steady erosion in federal financial support to this province has occurred.

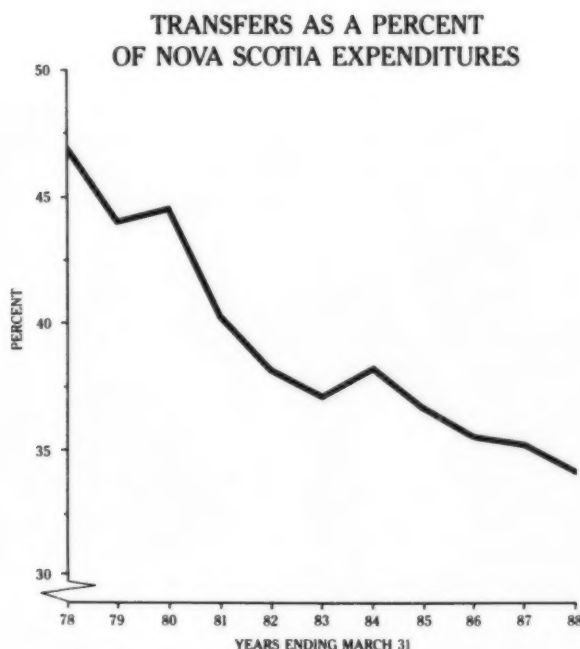
The facts speak for themselves.

In recent years, federal transfers have been steadily declining as a percent of provincial revenues:

- in 1977-78, transfers from the Government of Canada accounted for more than 50 percent of revenues
- in 1987-88, they are expected to account for less than 40 percent.

Federal transfers as a percent of provincial expenditures have fallen from 47 percent in 1977-78 to 34 percent in 1987-88.

Erosion of federal support



It is clearly evident that traditional federal support for a broad range of programs and services, including important economic and resource development initiatives, has been declining.

This has placed considerable pressure on the province to assume a greater portion of program costs. As a prime example, in 1986-87 the federal government severely reduced funding for manpower training courses. This measure has put considerable pressure on the province to absorb the costs associated with the staff and facilities for these programs. There are many similar examples across government.

It is clear that while the federal government claims credit for reducing its deficit, the provincial government has borne a considerable burden in this regard. This declining federal support has meant an ever-increasing reliance on our own source revenues and has made our deficit reduction that much more difficult.

REVENUE MEASURES

*Expanded revenue
base*

Given the relentless cost pressures from the health care delivery system and our repeated commitment to protect this vital system, it is imperative that the Health Services Tax base be expanded.

Effective midnight tonight the following exemptions will be changed:

- the exemption level for clothing per item will be reduced to \$100
- the exemption level for footwear per pair will be reduced to \$50
- the exemption for energy conservation items will be removed.

The new exemption levels for clothing and footwear will still ensure that Nova Scotians will not pay tax on most basic clothing and footwear.

Nova Scotia was one of the few provinces that provided sales tax exemptions for major energy conservation items and is one of the last to remove this exemption.

Only one tax rate will be raised — the tobacco tax rate on cigarettes.

Effective midnight tonight the tax rate on cigarettes will increase one cent per cigarette.

No new forms of tax

I am pleased to announce that there will be no new forms of tax introduced and there will be no changes in

- the Individual Income Tax rate
- Corporate Income Tax rates
- the Health Services Tax rate
- Gasoline and Diesel Fuel Tax rates.

STOCK SAVINGS PLAN

In last year's budget I announced the government's intention to proceed with implementation of a Stock Savings Plan effective in the 1987 taxation year.

Implementation of such a plan will provide for greater equity investment opportunities for Nova Scotians, increased financial stability for Nova Scotia companies, and expanded long-term job opportunities for the people of this province.

I am very pleased to announce today that we are on course and proceeding with this initiative. Over the past year a committee of public and private sector representatives reviewed various options and made recommendations to the government on the design of such a plan for Nova Scotia. After careful consideration of this report we feel we now have an appropriate plan for our province.

*A Stock Savings Plan
for Nova Scotia*

I am pleased to outline the following details of the Nova Scotia Stock Savings Plan which will be available to investors in both eligible public and eligible private companies in this province:

- For investments in eligible common shares of Nova Scotia companies with assets and gross revenues of less than \$5 million, the tax credit will be equivalent to 30 percent of the investment up to a maximum tax credit of \$3,000 per person against Nova Scotia individual income tax.
- For all other companies, the credit will be 20 percent of the investment, provided

the gross revenues and assets of the company are between \$5 million and \$25 million.

- 25 percent of the wages of an eligible corporation must be paid in the province.
- The investor must be a resident of Nova Scotia and hold the investment for at least 3 years and can carry forward any unused tax credit for up to 7 years.
- The plan will be effective for the taxation years 1987 through to 1992.

Legislation will soon be introduced to implement the plan.

This program highlights our commitment to a strong and vibrant private sector. Nova Scotians will be encouraged to invest in their home province and in doing so will play a major role in securing their economic future and long-term employment prospects.

This initiative, coupled with the small business corporate income tax holiday announced last year, the research and development tax credit and the small business tax rate indicate the government's commitment to encourage the growth of a strong and diversified private sector.

PROVIDING JOBS FOR NOVA SCOTIANS

The measures just mentioned will go a long way towards encouraging job development in the private sector.

A major priority of this government is to provide increased job opportunities for Nova Scotians.

The 1987-88 budget provides for an increase in gross capital expenditures of \$50.4 million over the 1986-87 forecast which will generate thousands of new jobs. This large increase in capital spending will not only create tremendous job activity but will also enhance infrastructure throughout the province.

Jobs a top priority

Such initiatives include:

- an additional \$14 million for the construction and paving of highways throughout the province
- a \$12.5 million increase for hospital construction and renovations during this fiscal year
- an additional \$6.8 million in assistance to municipalities mainly for sewer and water projects
- a \$5.6 million increase in expenditures under the Forest Management and Renewal Agreements
- \$3.5 million in additional money to the Fisheries Loan Board
- \$1.7 million under the Sydney Tar Ponds Clean-up Projects.

The provincial government also sustains over 60,000 direct and indirect jobs through its ordinary department expenditures and its Crown agencies.

CONCLUSION

The government's 1987-88 budget is a clear indication of our continued commitment to a sound management plan that will lead to a reduction in, and the eventual elimination of, the province's operating deficit.

The fiscal plan, the multi-year budgeting and Strategic Planning Process outlined here today will serve as a blueprint for the control and allocation of public funds in the most effective and efficient manner, ensuring the best value for the taxpayers' dollars.

The people of Nova Scotia want a sound management approach to deficit reduction and program efficiency. This budgetary plan meets those objectives.

Over the past year we have consulted regularly with public interest groups and organizations that have expressed a desire to participate in the budget process. We will continue this dialogue to ensure that the highly valued private sector contributions form an integral part of our budget deliberations.

I would like to emphasize that in the coming year we will:

- initiate a three-year fiscal plan aimed at consistent and gradual deficit reduction
- address the escalating cost of health care in this province
- continue our extensive review of the 1,100 programs and services funded by government
- maintain our commitment to job creation initiatives.

The budget addresses all of these points and will ensure continued protection of essential services for Nova Scotians.

FINANCIAL AND SUPPLEMENTARY INFORMATION

to the Budget Address 1987-88

INDEX OF FINANCIAL AND SUPPLEMENTARY INFORMATION

		Page
<i>ESTIMATES 1987-88 - SUMMARY</i>		
<i>Schedule 1</i>	Budgetary Requirements - Summary	A1
<i>Schedule 2</i>	Ordinary Revenues - Summary	A2
<i>Schedule 3</i>	Ordinary Expenditures - Summary	A3
<i>Schedule 4</i>	Capital Expenditures and Recoveries - Summary	A4
<i>Schedule 5</i>	Statutory Capital Items - Summary	A6
<i>FINANCIAL STATISTICS</i>		
<i>Schedule 6</i>	Historical Analysis of Gross Revenues	A8
<i>Schedule 7</i>	Historical Analysis of Gross Expenditures	A8
<i>Chart 1</i>	Illustration of Gross Revenues and Gross Expenditures in Constant Dollars	A9
<i>Schedule 8</i>	Historical Analysis of Gross Revenues by Source	A10
<i>Chart 2</i>	Illustration of Gross Revenues by Source	A11
<i>Schedule 9</i>	Historical Analysis of Gross Expenditures by Function	A12
<i>Chart 3</i>	Illustration of Gross Expenditures by Function	A13
<i>Schedule 10</i>	Gross Ordinary Expenditures by Function	A14
<i>Schedule 11</i>	Gross Capital Expenditures by Function	A14
<i>Chart 4</i>	Illustration of Gross Ordinary and Capital Expenditures by Function	A15
<i>Schedule 12</i>	Transfer Payments from the Government of Canada	A16
<i>Chart 5</i>	Illustration of Transfer Payments from the Government of Canada	A17
<i>Schedule 13</i>	Summary of Ordinary Revenues and Expenditures by Source and Function	A18
<i>ECONOMIC INDICATORS</i>		
<i>Schedule 14</i>	Gross Domestic Product at Market Prices	A20
<i>Schedule 15</i>	Consumer Price Index	A21
<i>Schedule 16</i>	Personal Income Per Capita	A22
<i>Schedule 17</i>	Labour Force	A23
<i>Schedule 18</i>	Employment	A24
<i>Schedule 19</i>	Unemployment	A25

ESTIMATES 1987-88 SUMMARY

BUDGETARY REQUIREMENTS - SUMMARY

Schedule 1

ACTUAL 1985-86	FORECAST 1986-87		ESTIMATE 1987-88
		CURRENT ACCOUNT	
2,983,588,083	3,110,619,300	Ordinary Expenditures	3,289,697,700
210,384,164	241,027,500	Ordinary Recoveries	255,574,000
		Net Ordinary Expenditures	3,034,123,700
2,773,203,919	2,869,591,800	Ordinary Revenues	2,848,868,600
2,504,181,264	2,660,709,800		
			185,255,100
269,022,655	208,882,000	Prior Years' Adjustments -	-
17,400,242	7,344,000	Federal-Provincial Fiscal	
		Arrangements	
		Excess of Current Operating	185,255,100
251,622,413	201,538,000	Expenditures Over Revenues	
		and Recoveries	
		Sinking Fund Installments and	86,376,700
77,159,717	87,192,700	Serial Retirements	
		CAPITAL ACCOUNT	
219,420,773	243,883,300	Expenditure Program	280,507,600
30,118,740	47,514,700	Recoveries	39,338,000
		Net Capital Expenditures	241,169,600
189,302,033	196,368,600	Advance under the	45,000
34,684	41,300	Appropriations Act	
			241,214,600
189,336,717	196,409,900		
		Net Budgetary Requirements	512,846,400
518,118,847	485,140,600	Net Increase (Decrease) in Advances	(1,875,300)
(7,356,152)	(13,568,800)	and Investments	
510,762,695	471,571,800		510,971,100

ORDINARY REVENUES - SUMMARY

Schedule 2

ACTUAL 1985-86	FORECAST 1986-87	DEPARTMENT	ESTIMATE 1987-88
ORDINARY REVENUES			
920,292	859,900	Agriculture and Marketing	883,500
27,605,380	15,069,100	Attorney General	16,668,000
5,286,742	20,374,000	Consumer Affairs	20,635,000
8,181	7,700	Culture, Recreation and Fitness	6,000
37,100	35,900	Development	35,900
3,081,440	1,767,800	Education	1,806,800
765,687	714,100	Environment	760,700
2,413,897,720	2,560,816,000	Finance	2,745,340,000
58,329	168,000	Fisheries	118,900
1,269,669	1,350,000	Government Services	1,370,000
816,850	1,255,000	Health	400,000
37,360	37,200	Housing	32,200
325,475	272,400	Labour	274,400
5,830,804	6,033,000	Lands and Forests	6,818,900
2,209,583	2,796,000	Mines and Energy	2,649,000
28,204	29,100	Municipal Affairs	29,000
1,822,528	1,957,500	Public Service	1,961,000
64,288	96,500	Social Services	103,500
4,905,820	5,813,000	Tourism	6,082,900
35,209,812	39,626,000	Transportation	41,102,000
—	1,631,600	Vocational and Technical Training	1,790,900
2,504,181,264	2,660,709,800		2,848,868,600
ORDINARY RECOVERIES			
335,810	377,500	Agriculture and Marketing	402,600
24,030,157	38,081,100	Attorney General	43,407,200
5,449,420	9,910,500	Development	8,354,600
5,804,164	4,602,900	Education	4,875,700
7,643,300	8,400,000	Assistance to Universities	8,800,000
159,028	83,300	Environment	62,000
508,024	515,200	Finance	65,500
97,997	194,000	Fisheries	225,000
25,882,492	26,950,500	Health	27,557,000
988,493	1,518,400	Housing	1,787,700
19,962,881	650,000	Labour	750,000
165,943	156,000	Lands and Forests	154,200
2,772,972	2,042,900	Mines and Energy	2,275,100
1,258,826	1,315,200	Municipal Affairs	1,369,000
301,113	439,900	Public Service	484,600
114,949,548	125,605,300	Social Services	137,412,800
73,996	94,600	Tourism	102,300
—	20,090,200	Vocational and Technical Training	17,488,700
210,384,164	241,027,500		255,574,000

ORDINARY EXPENDITURES - SUMMARY

Schedule 3

ACTUAL 1985-86	FORECAST 1986-87	DEPARTMENT AND SERVICE	ESTIMATE 1987-88
35,158,519	32,438,400	Agriculture and Marketing	36,646,900
50,812,484	68,916,900	Attorney General	80,198,800
3,370,920	3,658,500	Consumer Affairs	4,155,800
13,909,638	11,607,000	Culture, Recreation and Fitness	12,802,900
74,750,571	80,420,000	Development	81,803,700
585,625,137	583,968,300	Education	616,660,000
154,355,891	176,896,600	Assistance to Universities	189,565,500
7,238,431	6,524,300	Environment	7,454,900
43,933,909	45,665,100	Finance	16,442,900
522,435,992	544,549,100	Debt Charges	578,738,000
8,607,460	7,371,100	Fisheries	9,006,500
31,531,086	36,302,700	Government Services	37,654,200
814,262,959	862,560,800	Health	913,655,200
18,704,524	21,889,900	Housing	21,512,400
29,354,691	5,449,000	Labour	6,808,800
28,065,412	28,800,100	Lands and Forests	31,912,500
9,035,325	8,836,200	Mines and Energy	10,575,000
67,891,183	67,625,400	Municipal Affairs	73,062,500
80,549,706	42,480,500	Public Service	44,470,800
278,418,137	294,786,800	Social Services	318,868,600
14,125,258	14,074,500	Tourism	15,129,200
111,450,850	108,688,200	Transportation	118,532,600
—	57,109,900	Vocational and Technical Training	64,040,000
2,983,588,083	3,110,619,300		3,289,697,700

CAPITAL EXPENDITURES AND RECOVERIES - SUMMARY

Schedule 4

Estimate of Expenditure and Recovery of the Province of Nova Scotia
Chargeable to Capital Account for the fiscal year ending March 31, 1987

ACTUAL 1985-86	FORECAST 1986-87	DEPARTMENT	ANTICIPATED CARRY FORWARD AVAILABLE FROM 1986-87	ESTIMATE 1987-88	TOTAL PROGRAM 1987-88
CAPITAL EXPENDITURES					
FURNITURE AND EQUIPMENT					
626,167	606,500	Agriculture and Marketing	—	1,525,000	1,525,000
287,349	301,400	Attorney General	85,000	765,000	850,000
12,287	8,000	Consumer Affairs	—	8,000	8,000
26,915	15,000	Development	—	15,000	15,000
1,257,170	102,000	Education	—	127,000	127,000
179,722	55,600	Environment	—	160,000	160,000
63,699	20,000	Finance	—	154,200	154,200
62,482	20,600	Fisheries	12,700	74,300	87,000
664,243	1,570,000	Government Services	20,000	1,685,000	1,705,000
81,373	48,900	Health	—	54,000	54,000
17,472	14,000	Housing	—	14,000	14,000
19,344	40,000	Labour	15,000	37,000	52,000
509,385	422,300	Lands and Forests	47,600	720,000	767,600
124,247	125,000	Mines and Energy	—	195,000	195,000
5,181	17,000	Municipal Affairs	3,000	20,000	23,000
32,677	25,600	Public Service	3,600	28,000	31,600
54,248	58,900	Social Services	48,800	97,200	146,000
209,091	358,200	Tourism	—	272,000	272,000
101,744	241,900	Transportation	—	215,000	215,000
—	1,237,000	Vocational and Technical Training	—	1,177,000	1,177,000
4,334,796	5,287,900		235,700	7,342,700	7,578,400
OTHER					
1,021,599	383,300	Agriculture and Marketing	—	375,000	375,000
296,316	6,804,000	Attorney General	300,000	4,150,000	4,450,000
24,436,842	33,211,200	Development	13,165,300	32,147,400	45,312,700
8,700	65,000	Education	—	65,000	65,000
314,039	320,000	Environment	—	925,000	925,000
5,807,793	4,524,800	Lands and Forests	—	5,314,000	5,314,000
—	2,000,000	Municipal Affairs	—	5,000,000	5,000,000
2,000,000	900,000	Public Service	—	900,000	900,000
—	—	Tourism	—	724,000	724,000
33,885,289	48,208,300		13,465,300	49,600,400	63,065,700
CAPITAL GRANTS					
240,660	192,000	Attorney General	—	150,000	150,000
517,961	919,000	Development	179,600	334,800	514,400
6,550,411	8,478,600	Education	—	9,463,500	9,463,500
1,945,175	8,255,500	Assistance to Universities	324,800	763,200	1,088,000
691,993	1,560,000	Environment	—	2,661,000	2,661,000
19,863,845	17,668,100	Health	14,028,300	16,157,000	30,185,300
14,444,518	17,332,900	Municipal Affairs	2,532,200	21,611,000	24,143,200
10,535,000	6,950,000	Public Service	—	6,989,500	6,989,500
7,349,330	5,707,900	Transportation	417,100	7,475,200	7,892,300
62,138,893	67,064,000		17,482,000	65,605,200	83,087,200

ACTUAL 1985-86	FORECAST 1986-87	DEPARTMENT	ANTICIPATED CARRY FORWARD AVAILABLE FROM 1986-87	ESTIMATE 1987-88	TOTAL PROGRAM 1987-88
100,131,154	81,235,100	TRANSPORTATION	—	95,306,300	95,306,300
18,930,641	42,088,000	PUBLIC WORKS AND SPECIAL PROJECTS	2,765,000	28,705,000	31,470,000
219,420,773	243,883,300	Total Capital Expenditures	33,948,000	246,559,600	280,507,600
CAPITAL ADVANCES					
34,684	41,300	Agriculture and Marketing	—	45,000	45,000
34,684	41,300	Total Capital Advances	—	45,000	45,000
219,455,457	243,924,600	Total to be Voted Under the Appropriations Act	33,948,000	246,604,600	280,552,600
CAPITAL RECOVERIES					
FURNITURE AND EQUIPMENT					
625,000	—	Attorney General	—	—	—
—	12,000	Social Services	—	88,000	88,000
625,000	12,000		—	88,000	88,000
OTHER					
4,723,696	15,445,400	Development	8,779,500	12,534,900	21,314,400
3,000	—	Education	—	—	—
4,726,696	15,445,400		8,779,500	12,534,900	21,314,400
CAPITAL GRANTS					
312,639	—	Environment	—	—	—
—	52,800	Municipal Affairs	—	—	—
972,433	912,900	Transportation	—	1,436,300	1,436,300
1,285,072	965,700		—	1,436,300	1,436,300
11,362,735	6,741,600	TRANSPORTATION	—	7,245,300	7,245,300
12,119,237	24,350,000	PUBLIC WORKS AND SPECIAL PROJECTS	1,580,000	7,674,000	9,254,000
30,118,740	47,514,700	Total Capital Recoveries	10,359,500	28,978,500	39,338,000

STATUTORY CAPITAL ITEMS – SUMMARY

Schedule 5

ACTUAL 1985-86	FORECAST 1986-87	CAPITAL ADVANCES AND INVESTMENTS	ESTIMATE 1987-88
		ADDITIONAL ADVANCES AND INVESTMENTS	
6,342,749	6,500,000	Fisheries Development Fund	10,000,000
15,375,621	6,106,000	Industrial Development Act	16,800,000
3,877,407	10,570,000	Industrial Estates Limited	8,789,000
6,031,543	4,902,000	Industrial Loan Act	2,150,000
16,531,898	14,000,000	Nova Scotia Farm Loan Board	14,000,000
40,023,062	46,504,900	Nova Scotia Housing Commission	64,749,100
5,357,880	5,321,000	Small Business Development Fund	5,000,000
1,767,557	6,735,000	Universities Assistance Act	8,776,000
2,021,900	2,162,000	Venture Corporations Act	2,969,000
152,789	—	Miscellaneous	—
97,482,406	102,800,900		133,233,100
		REPAYMENTS	
16,276,073	15,400,000	Fisheries Development Fund	10,500,000
5,705,338	5,164,000	Industrial Development Act	4,500,000
11,195,185	12,695,000	Industrial Estates Limited	9,282,000
3,907,411	5,531,000	Industrial Loan Act	3,500,000
246,250	244,200	Municipal Hospitals Loan Act	229,200
1,310,464	1,558,400	Municipal Loan and Building Fund Act	1,578,300
10,661,447	9,800,000	Nova Scotia Farm Loan Board	10,000,000
34,010,446	47,228,800	Nova Scotia Housing Commission	73,147,600
4,248,749	2,300,000	Nova Scotia-Canada, Home Insulation Program	400,000
678,801	435,000	School Loan Fund Act	185,000
3,335,980	3,300,000	Small Business Development Fund	1,434,000
6,841,649	6,550,000	Universities Assistance Act	14,175,000
9,000	3,000	Venture Corporations Act	—
6,411,765	6,160,300	Miscellaneous	6,177,300
104,838,558	116,369,700		135,108,400
2,655,927	900,000	CAPITAL EXPENDITURE	3,000,000

NOTE: Statutory Capital Items for which no vote is required under the Appropriations Act.



FINANCIAL STATISTICS

HISTORICAL ANALYSIS OF GROSS REVENUES

Schedule 6

FISCAL YEAR	GROSS REVENUES (millions of dollars)	ANNUAL PERCENT CHANGE	GROSS REVENUES (constant 1981 dollars) ¹	ANNUAL PERCENT CHANGE
1978-79	1,421	11.5	1,923	2.5
1979-80	1,592	12.0	1,973	2.6
1980-81	1,763	10.7	1,983	0.5
1981-82	1,980	12.3	1,980	(0.2)
1982-83	2,175	9.8	1,963	(0.9)
1983-84	2,422	11.4	2,067	5.3
1984-85	2,615	8.0	2,138	3.4
1985-86	2,762	5.6	2,171	1.5
1986-87 F	2,957	7.1	2,233	2.9
1987-88 E	3,144	6.3	2,267	1.5

1 Determined using the Consumer Price Index deflator.

F Forecast

E Estimate

NOTE: Gross Revenues include Ordinary Revenues, Ordinary and Capital Recoveries and Prior Years' Adjustments.

HISTORICAL ANALYSIS OF GROSS EXPENDITURES

Schedule 7

FISCAL YEAR	GROSS EXPENDITURES (millions of dollars)	ANNUAL PERCENT CHANGE	GROSS EXPENDITURES (constant 1981 dollars) ¹	ANNUAL PERCENT CHANGE
1978-79	1,650	19.2	2,233	9.6
1979-80	1,793	8.7	2,222	(0.5)
1980-81	2,095	16.8	2,357	6.1
1981-82	2,523	20.4	2,523	7.0
1982-83	2,685	6.4	2,423	(4.0)
1983-84	2,855	6.3	2,436	0.5
1984-85	3,119	9.2	2,550	4.7
1985-86	3,276	5.0	2,576	(1.0)
1986-87 F	3,429	4.7	2,590	0.5
1987-88 E	3,658	6.7	2,637	1.8

1 Determined using the Consumer Price Index deflator.

F Forecast

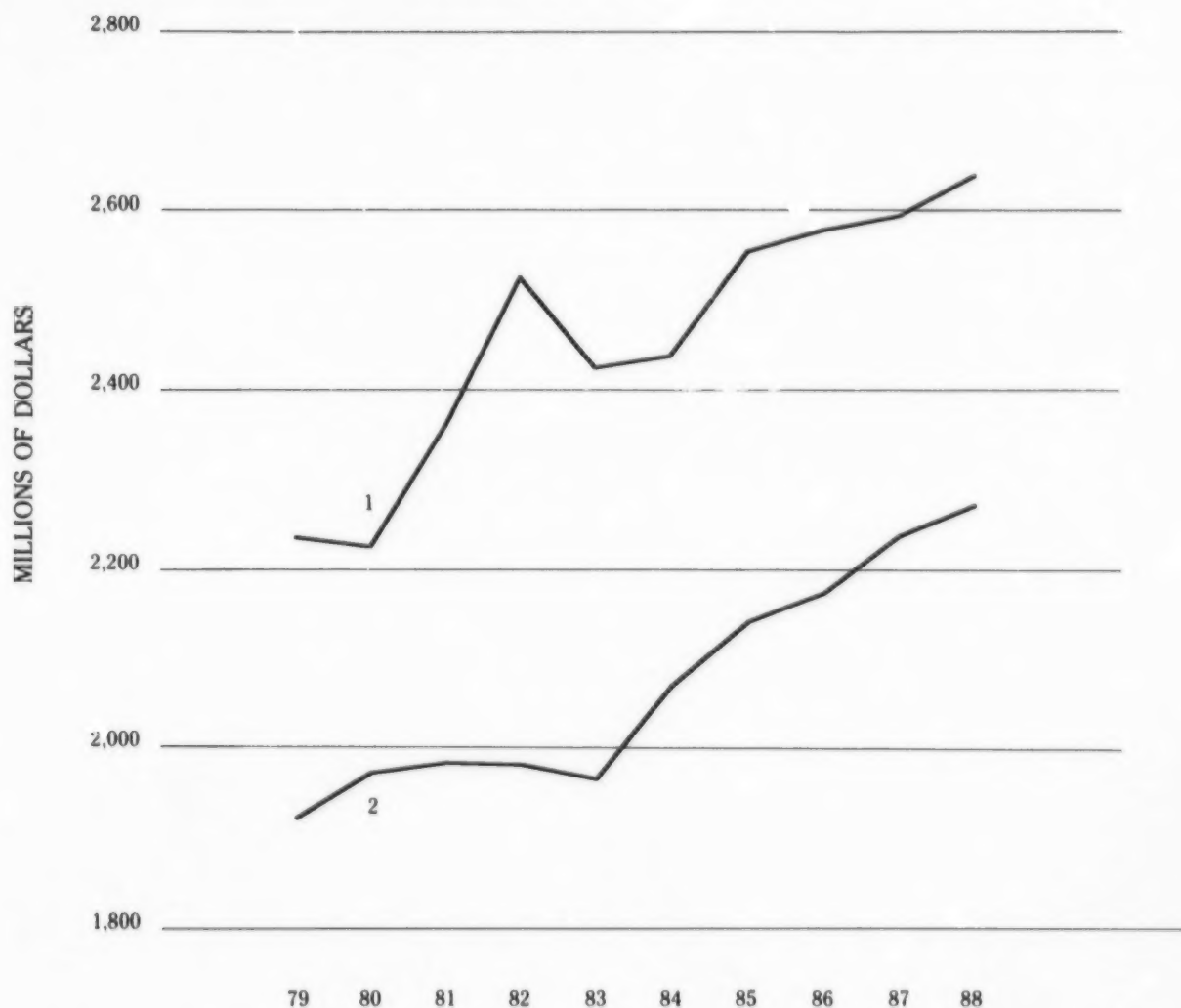
E Estimate

NOTE: Gross Expenditures include Ordinary and Capital Expenditures, Sinking Fund Installments and net increase (decrease) in Capital Advances and Investments.

COMPARISON OF GROSS REVENUES AND GROSS EXPENDITURES

Chart 1

(constant 1981 dollars)



- 1 Gross Expenditures include Ordinary and Capital Expenditures, Sinking Fund Installments and net increase (decrease) in Capital Advances and Investments.
- 2 Gross Revenues include Ordinary Revenues, Ordinary and Capital Recoveries and Prior Years' Adjustments.

HISTORICAL ANALYSIS OF GROSS REVENUES BY SOURCE

Schedule 8

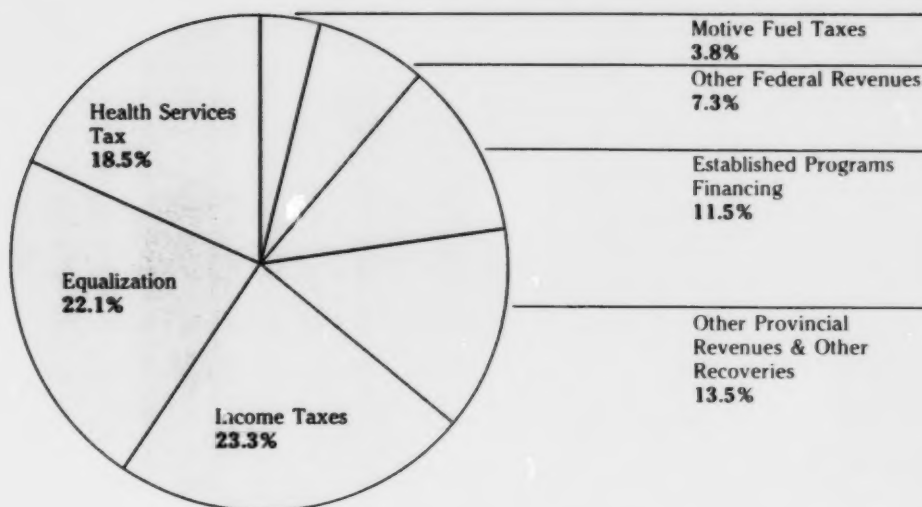
	1983-84	1984-85	1985-86	FORECAST 1986-87	ESTIMATE 1987-88
Provincial Sources (thousands of dollars)	1,275,913	1,412,439	1,560,095	1,672,170	1,810,618
Income Taxes	525,057	557,797	648,036	687,092	735,552
Health Services Tax	368,610	432,807	495,270	548,000	626,200
Motive Fuel Taxes	108,497	118,360	124,451	111,450	120,250
Liquor Commission Profits	75,555	79,551	82,453	83,200	88,100
Interest Revenues	76,060	78,062	73,303	77,798	66,562
Registry of Motor Vehicles	33,250	33,380	34,325	38,687	40,183
Other Provincial Sources	88,884	112,482	102,257	125,943	133,771
Federal Sources (thousands of dollars)	1,093,657	1,145,569	1,139,254	1,209,042	1,253,456
Equalization	606,516	622,744	621,338	651,840	674,000
Established Programs Financing	305,872	334,610	337,608	341,390	362,000
Shared Cost Programs	177,887	184,912	177,709	213,092	215,159
Other Federal Sources	3,382	3,303	2,599	2,720	2,297
Other Recoveries (thousands of dollars)	52,151	56,510	61,735	75,384	79,707
Total Gross Revenues	2,421,721	2,614,518	2,762,084	2,956,596	3,143,781
Provincial Sources (as a percent of Total Gross Revenues)	52.7	54.0	56.5	56.6	57.6
Income Taxes	21.7	21.3	23.5	23.3	23.4
Health Services Tax	15.2	16.6	17.9	18.5	19.9
Motive Fuel Taxes	4.5	4.5	4.5	3.8	3.8
Liquor Commission Profits	3.1	3.0	3.0	2.8	2.8
Interest Revenues	3.1	3.0	2.7	2.6	2.1
Registry of Motor Vehicles	1.4	1.3	1.2	1.3	1.3
Other Provincial Sources	3.7	4.3	3.7	4.3	4.3
Federal Sources (as a percent of Total Gross Revenues)	45.2	43.8	41.3	40.9	39.9
Equalization	25.1	23.8	22.5	22.1	21.4
Established Programs Financing	12.6	12.8	12.2	11.5	11.5
Shared Cost Programs	7.4	7.1	6.5	7.2	6.9
Other Federal Sources	0.1	0.1	0.1	0.1	0.1
Other Recoveries (as a percent of Total Gross Revenues)	2.1	2.2	2.2	2.5	2.5
Total Gross Revenues	100.0	100.0	100.0	100.0	100.0

NOTE: Gross Revenues include Ordinary Revenues, Ordinary and Capital Recoveries and Prior Years' Adjustments.

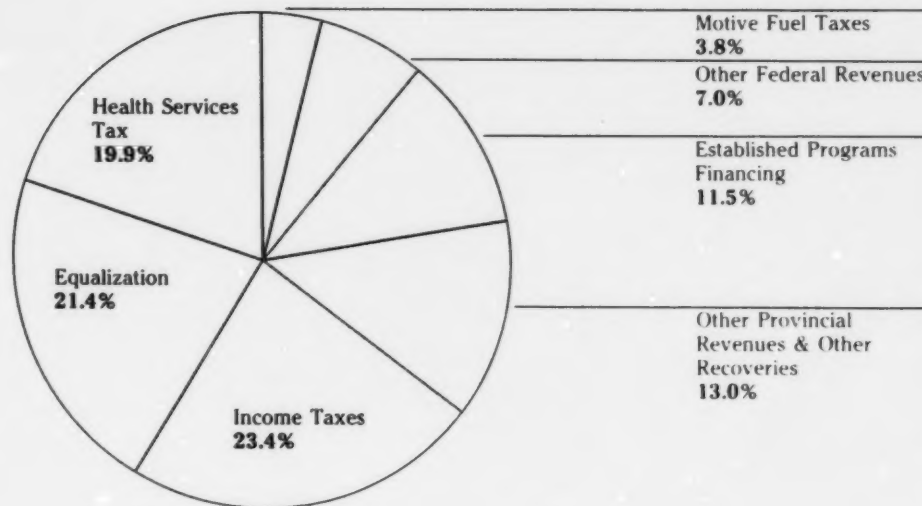
GROSS REVENUES BY SOURCE

Chart 2

1986-87



1987-88



NOTE: Gross Revenues include Ordinary Revenues, Ordinary and Capital Recoveries and Prior Years' Adjustments.

HISTORICAL ANALYSIS OF GROSS EXPENDITURES BY FUNCTION

Schedule 9

	1983-84	1984-85	1985-86	FORECAST 1986-87	ESTIMATE 1987-88
Function (thousands of dollars)					
General Government	87,662	101,370	103,503	112,867	94,133
Public Protection	68,756	72,000	78,936	106,008	123,383
Transportation and Communications	223,949	247,312	225,059	199,725	229,647
Resource Development	233,044	230,830	231,655	188,358	235,083
Health	711,527	782,941	849,507	909,188	963,124
Social Services	254,739	277,784	292,451	308,999	327,593
Education	715,447	750,361	768,051	843,412	875,738
Culture and Recreation	24,645	31,169	31,669	32,293	34,839
Services to the Public Debt	458,716	535,953	616,429	649,773	686,037
Municipal Affairs	76,386	89,057	78,243	78,445	88,175
Total Gross Expenditures	2,854,871	3,118,777	3,275,503	3,429,068	3,657,752

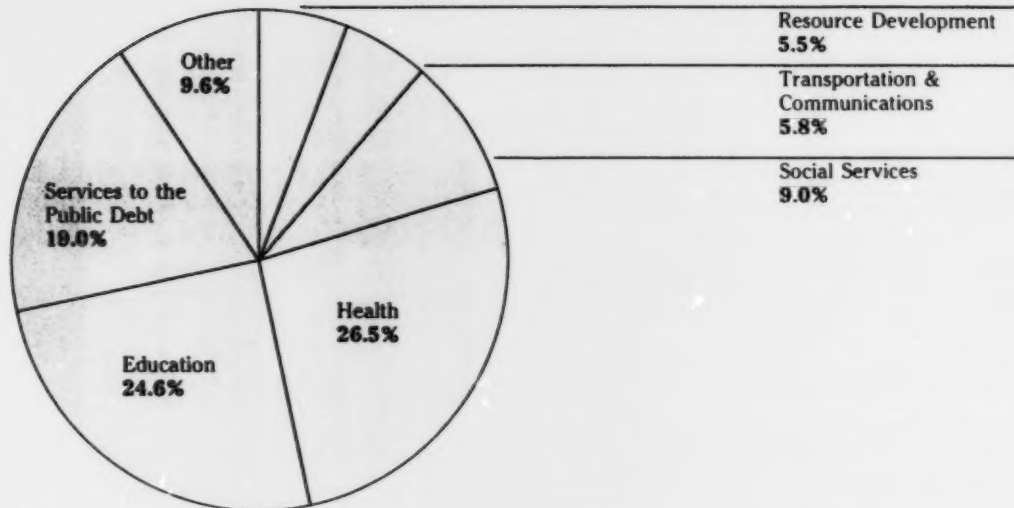
Function (as a percent of Total Gross Expenditures)					
General Government	3.1	3.2	3.2	3.3	2.6
Public Protection	2.4	2.3	2.4	3.1	3.4
Transportation and Communications	7.8	7.9	6.9	5.8	6.3
Resource Development	8.1	7.4	7.1	5.5	6.4
Health	24.9	25.1	25.9	26.5	26.3
Social Services	8.9	8.9	8.9	9.0	9.0
Education	25.1	24.1	23.4	24.6	23.9
Culture and Recreation	0.9	1.0	1.0	0.9	0.9
Services to the Public Debt	16.1	17.2	18.8	19.0	18.8
Municipal Affairs	2.7	2.9	2.4	2.3	2.4
Total Gross Expenditures	100.0	100.0	100.0	100.0	100.0

NOTE: Gross Expenditures include Ordinary and Capital Expenditures, Sinking Fund Installments and net increase (decrease) in Capital Advances and Investments.

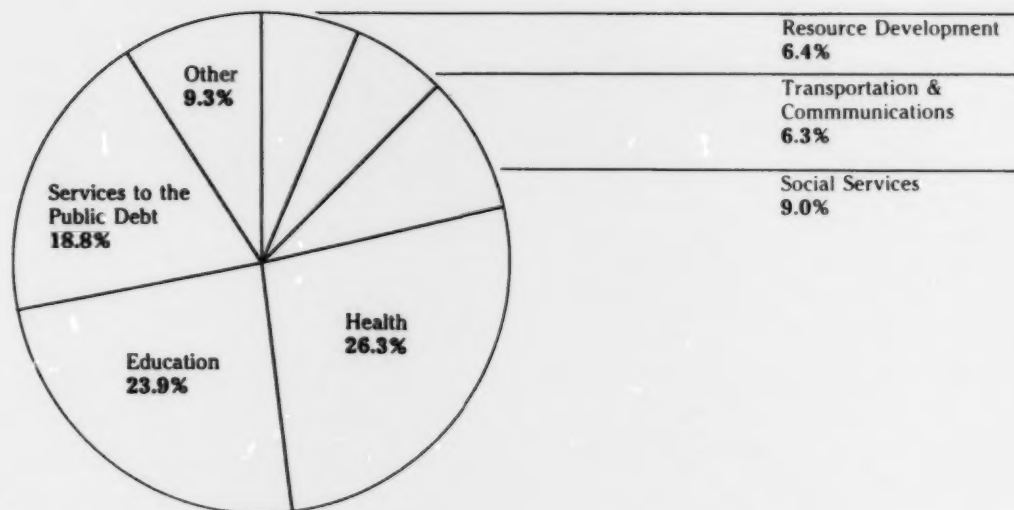
GROSS EXPENDITURES BY FUNCTION

Chart 3

1986-87



1987-88



NOTE: Gross Expenditures include Ordinary and Capital Expenditures, Sinking Fund Installments and net increase (decrease) in Capital Advances and Investments.

GROSS ORDINARY EXPENDITURES BY FUNCTION

Schedule 10

	1983-84	1984-85	1985-86	FORECAST 1986-87	ESTIMATE 1987-88
Function					
(thousands of dollars)					
General Government	84,859	96,732	99,102	108,111	85,151
Public Protection	67,937	69,661	77,290	98,050	115,245
Transportation and Communications	98,595	113,706	114,464	111,640	122,882
Resource Development	165,375	177,645	190,955	149,695	158,080
Health	694,368	760,369	822,246	871,228	923,593
Social Services	254,637	277,693	292,307	308,815	327,131
Education	706,740	737,530	757,909	809,669	861,658
Culture and Recreation	22,971	24,344	28,709	30,272	31,152
Services to the Public Debt	458,716	535,953	616,429	649,773	686,037
Municipal Affairs	55,995	61,264	61,337	60,559	65,146
Total Gross Expenditures	2,610,193	2,854,897	3,060,748	3,197,812	3,376,075

NOTE: Includes Ordinary Expenditures and Sinking Fund Installments.

GROSS CAPITAL EXPENDITURES BY FUNCTION

Schedule 11

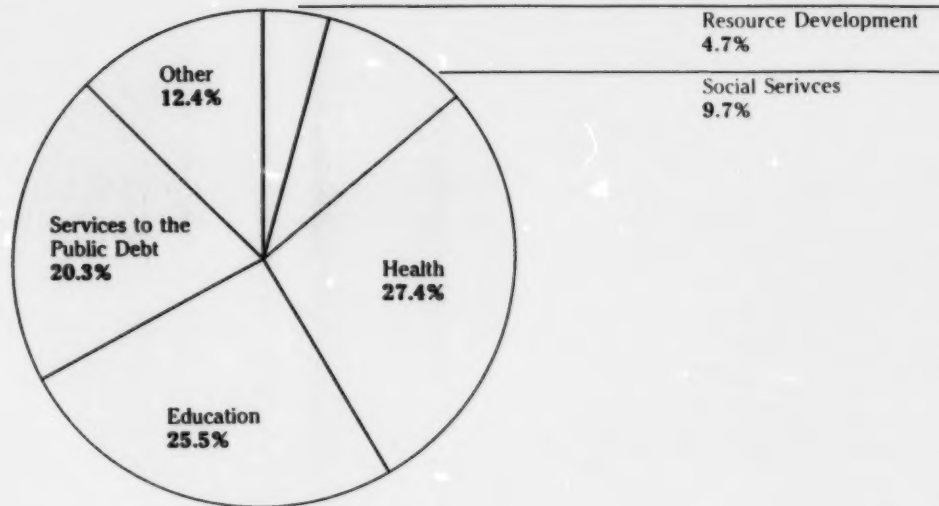
	1983-84	1984-85	1985-86	FORECAST 1986-87	ESTIMATE 1987-88
Function					
(thousands of dollars)					
General Government	2,803	4,638	4,401	4,756	8,982
Public Protection	819	2,339	1,646	7,958	8,138
Transportation and Communications	125,354	133,606	110,595	88,085	106,765
Resource Development	67,669	53,185	40,700	38,663	77,003
Health	17,159	22,572	27,261	37,960	39,531
Social Services	102	91	144	184	462
Education	8,707	12,831	10,142	33,743	14,080
Culture and Recreation	1,674	6,825	2,960	2,021	3,687
Municipal Affairs	20,391	27,793	16,906	17,886	23,029
Total Gross Expenditures	244,678	263,880	214,755	231,256	281,677

NOTE: Includes Capital Expenditures and net increase (decrease) in Capital Advances and Investments.

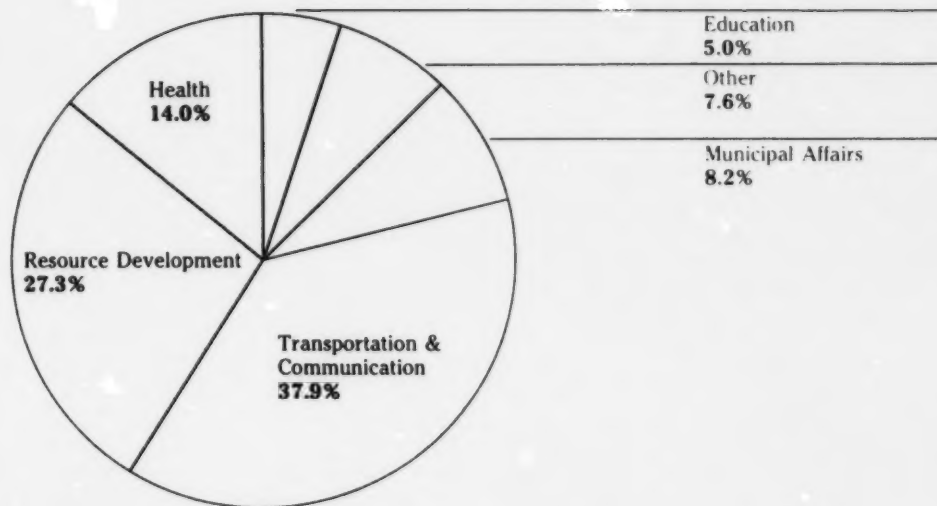
GROSS ORDINARY AND CAPITAL EXPENDITURES BY FUNCTION

Chart 4

ORDINARY EXPENDITURES 1987-88



CAPITAL EXPENDITURES 1987-88



NOTE: Gross Expenditures include Ordinary and Capital Expenditures, Sinking Fund Installments and net increase (decrease) in Capital Advances and Investments.

TRANSFER PAYMENTS FROM THE GOVERNMENT OF CANADA

Schedule 12

(millions of dollars)

FISCAL YEAR	UNCONDITIONAL TRANSFERS ¹	CONDITIONAL TRANSFERS ²	TOTAL TRANSFERS	ANNUAL PERCENT CHANGE	PERCENT OF TOTAL GROSS REVENUES
1977-78	525	129	654	12.4	51.3
1978-79	562	165	727	11.2	51.2
1979-80	640	159	799	9.9	50.2
1980-81	688	157	845	5.8	47.9
1981-82	799	164	963	14.0	48.6
1982-83	837	161	998	3.7	45.9
1983-84	916	178	1,094	9.6	45.2
1984-85	961	185	1,146	4.8	43.8
1985-86	961	178	1,139	(0.6)	41.3
1986-87 F	996	213	1,209	6.1	40.9
1987-88 E	1038	215	1,253	3.6	39.9

1 Unconditional Transfers which currently include Equalization Payments, Established Programs Financing Cash Transfers and Statutory Subsidies, constitute those payments from the Federal Government that may be spent in any manner.

2 Conditional Transfers constitute those payments from the Federal Government that must be spent on the specific programs for which the transfers are made. In essence, the Conditional Transfers pertain to shared-cost programs.

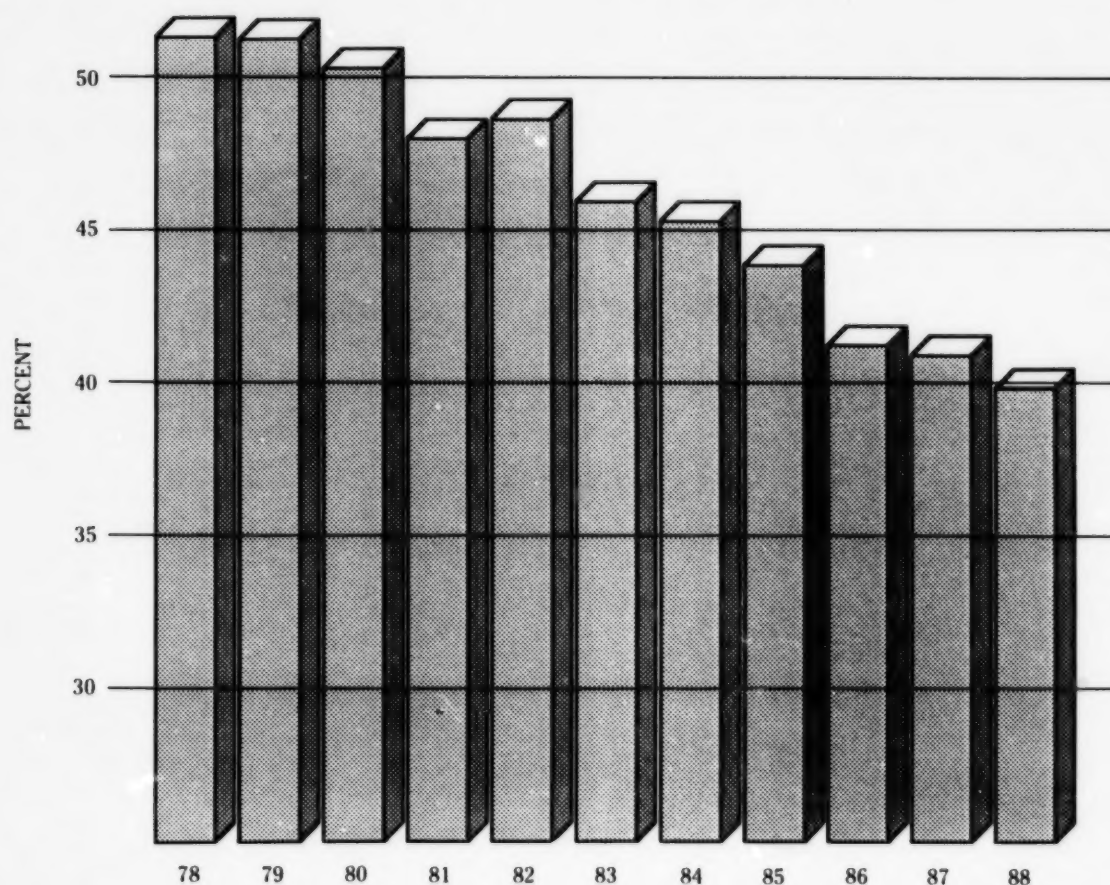
F Forecast

E Estimate

NOTE: Gross Revenues include Ordinary Revenues, Ordinary and Capital Recoveries and Prior Years' Adjustments.

TRANSFERS FROM THE GOVERNMENT OF CANADA AS A PERCENT OF TOTAL GROSS REVENUES

Chart 5



FISCAL YEAR ENDING MARCH 31

SUMMARY OF ORDINARY REVENUES AND EXPENDITURES BY SOURCE AND FUNCTION

Schedule 13

(thousands of dollars)

	ESTIMATE 1986-87	FORECAST 1986-87	ESTIMATE 1987-88
ORDINARY REVENUES AND RECOVERIES BY SOURCE			
Provincial Sources			
Income Taxes	677,718	674,756	735,552
Health Services Tax	560,000	548,000	626,200
Motive Fuel Taxes	115,500	111,450	120,250
Liquor Commission Profits	85,500	83,200	88,100
Interest Revenues	69,820	77,798	66,562
Registry of Motor Vehicles	39,807	38,687	40,183
Other Provincial Sources	129,053	122,572	133,771
Federal Sources			
Equalization	625,275	646,804	674,000
Established Programs Financing	356,424	354,346	362,000
Shared Cost Programs	168,178	166,832	177,257
Other Federal Sources	2,582	3,163	2,297
Other Recoveries	71,003	74,129	78,271
Total Ordinary Revenues and Recoveries	2,900,860	2,901,737	3,104,443
ORDINARY EXPENDITURES BY FUNCTION			
General Government	110,525	108,111	85,151
Public Protection	98,645	98,050	115,245
Transportation and Communications	111,243	111,640	122,882
Resource Development	158,558	149,695	158,080
Health	855,274	871,228	923,593
Social Services	312,012	308,815	327,131
Education	810,177	809,669	861,658
Culture and Recreation	30,137	30,272	31,152
Interest on the Public Debt	585,887	562,580	599,660
Municipal Affairs	61,363	60,559	65,146
Total Ordinary Expenditures	3,133,821	3,110,619	3,289,698
Prior Years' Adjustments - Federal-Provincial Fiscal Arrangements	—	7,344	—
Excess of Current Expenditures Over Revenues and Recoveries	232,961	201,538	185,255
Sinking Fund Installments and Serial Retirements	87,217	87,193	86,377

ECONOMIC INDICATORS

GROSS DOMESTIC PRODUCT AT MARKET PRICES

Schedule 14

(millions of dollars)

YEAR	NOVA SCOTIA ¹	ANNUAL PERCENT CHANGE	CANADA ¹	ANNUAL PERCENT CHANGE
1977	4,902.0	9.0	217,879.0	11.8
1978	5,481.0	11.8	241,604.0	10.9
1979	6,019.0	9.8	276,096.0	14.3
1980	6,111.0	1.5 ²	309,891.0	12.2
1981	7,107.0	16.3	355,994.0	14.9
1982	8,159.0	14.8	374,750.0	5.3
1983	9,240.0	13.2	405,425.0	8.2
1984	10,282.0	11.3	443,327.0	9.3
1985	11,191.0	8.8	476,361.0	7.5
1986	12,117.0 _p	8.3	506,824.0 _p	6.4
1987	12,970.0 _p	7.0	542,670.0 _p	7.1

1 Source - Nova Scotia Department of Development

2 Gross Domestic Product at market prices represents the value added by each of the factors of production plus indirect taxes less subsidies. The substantial increase in the value of subsidies paid to importers of crude oil and petroleum products in 1980 in Nova Scotia had a proportionately greater impact on Nova Scotia Gross Domestic Product at market price than the impact of such subsidies on Gross Domestic Product at market price for Canada as a whole.

p Preliminary Projections; Source: Nova Scotia Department of Development

CONSUMER PRICE INDEX

(1981 = 100.00)

Schedule 15

YEAR	HALIFAX ¹	ANNUAL PERCENT CHANGE	CANADA ¹	ANNUAL PERCENT CHANGE
1977	68.9	7.8	67.9	7.9
1978	74.2	7.7	73.9	8.8
1979	80.8	8.9	80.7	9.2
1980	89.4	10.6	88.9	10.2
1981	100.0	11.9	100.0	12.5
1982	109.6	9.6	110.8	10.8
1983	116.8	6.6	117.2	5.8
1984	121.9	4.4	122.3	4.4
1985	127.3	4.4	127.2	4.0
1986	131.7	3.5	132.4	4.1
1987	137.5 _p	4.4	138.7 _p	4.8

1 Source - Statistics Canada: "The Consumer Price Index"

p Preliminary Projections; Source: Nova Scotia Department of Development

NOTE: The Consumer Price Index measures the percentage change through time in the cost of purchasing a constant "basket" of goods and services representing the purchases made by a particular population group in a specified time period. The Consumer Price Index used in this table is an annual average of the monthly indices.

PERSONAL INCOME PER CAPITA

(dollars)

Schedule 16

YEAR	NOVA SCOTIA ¹	ANNUAL PERCENT CHANGE	CANADA ¹	ANNUAL PERCENT CHANGE
1977	5,832.0	16.3	7,505.0	9.2
1978	6,518.0	11.8	8,292.0	10.5
1979	7,205.0	10.5	9,234.0	11.4
1980	7,809.0	8.4	10,340.0	12.0
1981	9,122.0	16.8	12,034.0	16.4
1982	10,089.0	10.6	13,172.0	9.5
1983	10,764.0	6.7	13,764.0	4.5
1984	11,623.0	8.0	14,774.0	7.3
1985	12,808.0	10.2	15,839.0	7.2
1986	13,603.0 _p	6.2	16,390.0 _p	3.5
1987	14,353.0 _p	5.5	17,570.0 _p	7.2

1 Source - Nova Scotia Department of Development

p Preliminary Projections; Source: Nova Scotia Department of Development

LABOUR FORCE

(thousands of persons)

Schedule 17

YEAR	NOVA SCOTIA ¹	ANNUAL PERCENT CHANGE	CANADA ¹	ANNUAL PERCENT CHANGE
1977	327.0	1.6	10,500.0	2.9
1978	338.0	3.4	10,895.0	3.8
1979	346.0	2.4	11,231.0	3.1
1980	356.0	2.9	11,573.0	3.0
1981	359.0	0.8	11,904.0	2.9
1982	361.0	0.6	11,958.0	0.5
1983	369.0	2.2	12,183.0	1.9
1984	387.0	4.9	12,399.0	1.8
1985	391.0	1.0	12,639.0	1.9
1986	397.0	1.5	12,880.0	1.9
1987	403.0 _p	1.5	13,112.0 _p	1.8

1 Source - Statistics Canada: "Historical Labour Force Statistics"

p Preliminary Projections; Source: Nova Scotia Department of Development

EMPLOYMENT

(thousands of persons)

Schedule 18

YEAR	NOVA SCOTIA ¹	ANNUAL PERCENT CHANGE	CANADA ¹	ANNUAL PERCENT CHANGE
1977	292.0	—	9,651.0	1.8
1978	303.0	3.8	9,987.0	3.5
1979	311.0	2.6	10,395.0	4.1
1980	321.0	3.2	10,708.0	3.0
1981	322.0	0.3	11,006.0	2.8
1982	313.0	(2.8)	10,644.0	(3.3)
1983	320.0	2.2	10,734.0	0.8
1984	337.0	5.3	11,000.0	2.5
1985	337.0	—	11,311.0	2.8
1986	344.0	2.1	11,643.0	2.9
1987	349.0 _p	1.5	11,892.0 _p	2.1

1 Source — Statistics Canada: "Historical Labour Force Statistics"

p Preliminary Projections; Source: Nova Scotia Department of Development

UNEMPLOYMENT

(thousands of persons)

Schedule 19

YEAR	NOVA SCOTIA ¹		CANADA ¹	
	UNEMPLOYED	UNEMPLOYMENT RATE %	UNEMPLOYED	UNEMPLOYMENT RATE %
1977	35.0	10.6	849.0	8.1
1978	36.0	10.5	908.0	8.3
1979	35.0	10.1	836.0	7.4
1980	35.0	9.7	865.0	7.5
1981	36.0	10.2	898.0	7.5
1982	47.0	13.2	1,314.0	11.0
1983	49.0	13.2	1,448.0	11.9
1984	51.0	13.1	1,399.0	11.3
1985	54.0	13.8	1,328.0	10.5
1986	53.0	13.4	1,236.0	9.6
1987	54.0 _p	13.4	1,219.0 _p	9.3

1 Source - Statistics Canada: "Historical Labour Force Statistics"

p Preliminary Projections; Source: Nova Scotia Department of Development

NOTE: The Unemployment Statistics shown in this table are annual averages of the monthly indices.